

What is Claimed:

1. A method for creating shares in a commodity, comprising:
  - receiving a creation order comprising a request to create commodity shares;
  - confirming delivery into an account of an amount of commodity associated with the commodity shares being requested; and
  - releasing the requested commodity shares based upon the amount of commodity delivered into the account.
2. The method of claim 1, further comprising the step of acknowledging receipt of the creation order.
3. The method of claim 1, further comprising the step of sending a notice of pending commodity delivery to a custodian of the account.
4. The method of claim 3, further comprising the step of confirming receipt of the notice of pending commodity delivery.
5. The method of claim 1, wherein the value of the shares released is approximately equal to the value of the commodity delivered into the account.
6. The method of claim 1, further comprising receiving a reconciliation from the custodian.
7. The method of claim 1, wherein the commodity delivered into the account is gold or gold receipts.

8. The method of claim 7, wherein the value of the shares released is based on the net asset value of the received gold.

9. The method of claim 1, wherein the creation order comprises a request to create of a minimum amount of shares or a multiple of the minimum amount.

10. The method of claim 1, wherein the value of the amount of commodity delivered into the account is not less than a minimum value.

11. A method for creating shares in a commodity, comprising:  
maintaining an account designated for the creation of commodity shares;  
receiving delivery into the account of an amount of the commodity; and  
sending a notice acknowledging receipt into the account of the amount of the commodity..

12. The method of claim 11, further comprising the step of receiving a notice of pending commodity delivery comprising notice of an amount of commodity to be delivered into the account.

13. The method of claim 12, further comprising the step of acknowledging receipt of the notice of pending commodity delivery.

14. The method of claim 11, further comprising the step of generating a reconciliation detailing the amount of the commodity in the account.

15. The method of claim 11, wherein the commodity received is gold or gold receipts.

16. The method of claim 12, wherein the amount of the commodity received is less than or equal to the amount indicated in the notice of pending commodity delivery.

17. The method of claim 16, further comprising receiving receipts for an unallocated amount of the commodity that is equal to the amount of shortfall when the amount of the commodity received is less than the amount indicated in the notice of pending commodity delivery.

18. The method of claim 16, further comprising receiving cash in an amount that is equal to at least a portion of the amount of shortfall when the amount of the commodity received is less than the amount indicated in the notice of pending commodity delivery.

19. A method for creating shares in a commodity, comprising:  
submitting a creation order comprising a request to create commodity shares;  
delivering into a designed account an amount of the commodity associated with the commodity shares being requested; and  
receiving the requested shares.

20. The method of claim 19, further comprising the step of confirming receipt of the creation order.

21. The method of claim 19, wherein the step of delivering the amount of the commodity comprises the steps of purchasing the amount of the commodity and delivering the amount of the commodity into the designated account.

22. The method of claim 19, wherein the step of delivering the amount of the commodity comprises the steps of causing the amount of the commodity to be purchased and causing the purchased commodity to be delivered into the designated account.

23. The method of claim 19, wherein the step of delivering the amount of the commodity comprising the steps of purchasing an amount of commodity futures, converting the purchased commodity futures into the amount of the commodity, and delivering the amount of the commodity into the designated account.

24. The method of claim 19, wherein the amount of the commodity delivered is less than the required amount associated with the requested shares, and further comprising the step of delivering receipts for an amount of the commodity equal to the difference between the required and delivered amounts.

25. The method of claim 19, wherein the step of receiving the requested shares comprises the step of receiving the requested shares from a third party.

26. The method of claim 25, wherein the third party is the depository trust company.

27. The method of claim 19, further comprising making the received shares available to investors on a secondary market.

28. The method of claim 19, wherein the commodity is gold or gold receipts.

29. The method of claim 19, wherein the creation order comprises a request for the creation of a minimum amount of shares or a multiple of the minimum amount.

30. A method for redeeming shares in a commodity, comprising:  
receiving a redemption order comprising a request to redeem an amount of commodity shares associated with an amount of the commodity held in an account;

receiving the amount of the commodity shares; and  
releasing from the account the amount of the commodity associated with the amount of the commodity shares received.

31. The method of claim 30, further comprising the step of acknowledging receipt of the redemption order.

32. The method of claim 30, further comprising the step of sending a notice of impending release instructions to a custodian of the account.

33. The method of claim 32, further comprising the step of confirming receipt of the notice of impending release instructions.

34. The method of claim 30, wherein the step of releasing from the account the amount of the commodity comprises the steps of sending release instructions to a custodian of the account.

35. The method of claim 30, wherein the value of the amount of the commodity released is approximately equal to the value of the commodity shares received.

36. The method of claim 30, further comprising the step of receiving a reconciliation from the custodian.

37. The method of claim 30, wherein the commodity released is gold or gold receipts.

38. The method of claim 30, further comprising the step of confirming that the amount of the commodity was released.

39. The method of claim 30, further comprising the step of acknowledging that the shares were received.

40. The method of claim 30, wherein redemption order comprises a request to redeem a minimum amount of shares or a multiple of the minimum amount.

41. A method for redeeming shares in a commodity, comprising:

maintaining an account designated for the redemption of commodity shares;

holding an amount of the commodity in the account associated with an amount of commodity shares to be redeemed;

receiving release instructions to release the amount of the commodity from the account; and

releasing the amount of the commodity from the account.

42. The method of claim 41, further comprising the steps of receiving a notice of impending release instructions comprising notice of the amount of commodity that will be released from the account upon redemption of the amount of commodity shares.

43. The method of claim 42, further comprising the step of confirming receipt of the notice of impending release instructions.

44. The method of claim 41, further comprising the step of confirming receipt of the release instructions.

45. The method of claim 41, further comprising the step of confirming release from the account of the amount of the commodity.

46. The method of claim 41, wherein the step of releasing the amount of the commodity from the account comprises the step of transferring the amount of the commodity from the account to an owner of the redeemed commodity shares.

47. The method of claim 41, wherein the step of releasing the amount of the commodity from the account comprises the steps of selling the amount of the commodity in the account and paying the proceeds of the sale to an owner of the redeemed commodity shares.

48. The method of claim 41, further comprising generating a reconciliation detailing the amount of the commodity released from the account.

49. The method of claim 41, wherein the commodity released is gold or gold receipts.

50. The method of claim 41, wherein the amount of the commodity released is less than or equal to the amount indicated in the release instructions.

51. The method of claim 50, further comprising releasing receipts for the amount of the commodity that is equal to the amount of shortfall, when the amount of the commodity released is less than the amount indicated in the release instructions.

52. The method of claim 41, wherein releasing the amount of the commodity comprises releasing the amount of the commodity to a third party.

53. A method for redeeming shares in a commodity, comprising:  
submitting a redemption order comprising a request to redeem an amount of commodity shares;  
delivering the amount of commodity shares to be redeemed; and

receiving an amount of the commodity associated with the amount of commodity shares delivered.

54. The method of claim 53, further comprising the step of confirming receipt of the redemption order.

55. The method of claim 53, wherein the commodity is received from a custodian of an account designated for the redemption of commodity shares.

56. The method of claim 53, wherein the amount of the commodity is received from a third party.

57. The method of claim 53, wherein the amount of the commodity received is less than the required amount associated with the redeemed commodity shares, and further comprising the step of receiving receipts for an amount of the commodity equal to the difference between the required and delivered amounts.

58. The method of claim 53, wherein the commodity is gold or gold receipts.

59. The method of claim 53, wherein redemption order comprises a request for the redemption of a minimum amount of shares or a multiple of the minimum amount.

60. A method for redeeming shares in a commodity, comprising:

submitting a redemption order comprising a request to redeem an amount of commodity shares;  
delivering the amount of commodity shares to be redeemed; and receiving an amount of cash from the sale of the amount of commodity associated with the amount of commodity shares delivered.

61. A method for securitizing a commodity comprising the steps of:

receiving a deposit of an amount of a commodity;  
holding said amount of a commodity in a trust; and  
issuing a number of shares corresponding to said amount of a commodity.

62. The method of claim 61, wherein said commodity is gold or another precious metal.

63. The method of claim 61, wherein a value of said number of shares is approximately equal to a value of said amount of a commodity.

64. The method of claim 61, wherein said number of shares is an integer multiple of a fixed minimum number.

65. The method of claim 61, wherein a portion of said trust is held at a custodian site.

66. The method of claim 61, wherein said step of receiving comprises the steps of:

maintaining a custodial account at a commodity depository,  
converting an amount of commodity futures into a physical amount of a commodity at said custodial account,  
transferring said physical amount of a commodity at said custodial account to said trust.

67. The method of claim 66, wherein said trust comprises a trust account at said commodity depository, and said step of transferring comprises the step of transferring said physical amount of a commodity at said custodial account to said trust account.

68. The method of claim 66, wherein said step of receiving comprises the step of receiving said amount of a commodity at said custodian.

69. The method of claim 61, further comprises the step of redeeming said number of equity shares for a second amount of said commodity.

70. A commodity trust system comprising:  
a commodity trust, wherein said commodity trust holds an amount of a commodity,  
a trustee to administer said commodity trust, and  
a number of shares corresponding to said amount of a physical commodity.

71. The system of claim 70, further comprising one or more custodians, wherein each custodian has physical custody of a portion of said amount of a commodity.

72. The system of claim 70, wherein said amount of a commodity comprises a number of receipts, each corresponding to an amount of unallocated commodity.